President Bush vetoes SCHIP increase again

By JENNIFER LOVEN - Associated Press - Helena Independent Record - 12/13/07

WASHINGTON — President Bush vetoed legislation Wednesday that would have expanded government-provided health insurance for children, his second slap-down of a bipartisan effort in Congress to dramatically increase funding for the popular program.

It was Bush's seventh veto in seven years — all but one coming since Democrats took control of Congress in January. Wednesday was the deadline for Bush to act or let the bill become law. The president also vetoed an earlier, similar bill expanding the health insurance program.

Bush vetoed the bill in private.

In a statement notifying Congress of his decision, Bush said the bill was unacceptable because — like the first one — it allows adults into the program, would cover people in families with incomes above the U.S. median and raises taxes.

"This bill does not put poor children first, and it moves our country's health care system in the wrong direction," Bush's statement said. "Ultimately, our nation's goal should be to move children who have no health insurance to private coverage, not to move children who already have private health insurance to government coverage."

Bush urged Congress to extend the program at its current funding level before lawmakers leave Washington for their holiday break.

In fact, congressional leaders had already said earlier Wednesday that they now will try only to extend the State Children's Health Insurance Program, or SCHIP, well into 2008 in basically its current form. Their comments signaled that they have given up efforts to substantially expand the program.

The House voted 211-180 late Wednesday to put off until Jan. 23 a vote on overriding the president's veto. "We are not going to let this veto stand," said House Speaker Nancy Pelosi. Republicans said Democrats were scheduling the veto override vote to coincide with the week Bush comes to Congress for the State of the Union address.

The bill passed the Democratic-controlled Senate by a veto-proof margin, but the same was not true in the House. Even after the bill was approved, negotiations continued to find a compromise version that would attract enough Republican lawmakers to override Bush's expected veto. A two-thirds vote in both chambers is required to override a presidential veto.

But that effort was unsuccessful.

The bill Bush vetoed would have increased federal funding for SCHIP by \$35 billion over five years, to add an estimated 4 million people to the program that provides insurance coverage for children from families who earn too much to qualify for Medicaid but cannot afford private insurance. The joint federal-state program currently provides benefits to roughly 6 million people, mostly children.

A major point of contention with the White House was Bush's demand that nearly all poor children eligible for the program be found and enrolled before any in slightly higher-income families could be covered. He originally proposed adding \$5 billion to the program over five years but later said he was willing to go higher as long as his conditions were met.

The president also has opposed using an increased tobacco tax to fund the program expansion. The bill includes a 61-cent rise on a package of cigarettes.

Bush's veto in early October of a similar bill was narrowly upheld by the House.

But such votes are uncomfortable for GOP lawmakers. It is a popular program with the public, making some Republicans wary of sticking with Bush on such an issue with the 2008 elections looming. Of the 43 million people nationwide who lack health insurance, more than 6 million are under 18 years old. That's more than 9 percent of all children.

House Majority Leader Steny Hoyer, D-Md., said the House will take up the extension question today in a bill that also will make adjustments to Medicare.

"We'll obviously need to put additional money" into the children's health insurance program, Hoyer said, because several states say they will have to remove recipients from their rolls if the current funding level continues into next year.

Hoyer declined to say how much new money would go into the program or how long it might be extended. In the past, top Democrats have suggested they might extend the program until September or October, allowing them to reconsider it shortly before the 2008 elections.

Leading up to Bush's quiet late-afternoon action, the White House and Democratic leaders sought the upper hand with the public — with each blaming the other for causing the stalemate and being unwilling to give ground.

In his veto statement, Bush said: "The leadership in the Congress has refused to meet with my administration's representatives." White House press secretary Dana Perino said that "even on a staff level, we weren't invited to negotiate."

"They've instead been intransigent and sent us two bills that they knew he wouldn't sign," she scoffed.

Not so, said Jim Manley, spokesman for Senate Majority Leader Harry Reid, D-Nev.

For instance, Reid approached Bush to ask for negotiations during a ceremony for the Dalai Lama in the Capitol Rotunda in mid-October, a couple of weeks after Bush's first SCHIP veto, he said. The president told Reid, "No, I'm not moving, meet with my staff," Reid said at the time.

"The fact is that Senator Reid and Speaker Pelosi asked to meet with the president to discuss giving children the health care they need, and he blew them off by telling them to talk to his staff," Manley said before the veto. "Now he's going to veto it for a second time without negotiating once."